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challenge

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August 18, 2004 Volume 38 #41 Suggested Donation $.50 www.plp.org

U.S. VS. ASIAN BOSSES

THE NEXT REALLY BIG WAR

With its endless parade of generals, admirals, and veterans, countless pro-war speeches, and mindless flag-waving, the Democratic convention looked like a Nuremberg Rally. In the 1930's, the Nazis staged wildly patriotic rallies every year at Nuremberg as part of a broad campaign to win the German people to fascism and war. Today's U.S. rulers have long-range war aims that reach far beyond Iraq and Afghanistan. They, like their Nazi predecessors, know that dominating the world inevitably entails fighting major military rivals. They, like the Nazis, know that eventually they must fully militarize the nation. Kerry's war-fest in Boston was a significant, early step in mobilizing for a global confrontation.

Even as they rake in billions by exploiting cheap labor in Asia, U.S. rulers' fears focus on the growing might of that region. The Council on Foreign Relations (CFR), the leading U.S. policy-setting group, represents the Exxon Mobil-JP Morgan Chase-Rockefeller wing of U.S. capital. In its July/August issue, James F. Hoge, editor of the CFR's "Foreign Affairs," drew ominous parallels to the run-up to World War II, "This time, the populous states of Asia are the aspirants seeking to play a greater role. Like Japan and Germany back then, these rising powers are nationalistic, seek redress of past grievances, and want to claim their place in the sun. Asia's growing economic power is translating into greater political and military power, thus increasing the potential damage of conflicts."

And it's not just China, Hoge warns. "India and other Asian states now boast growth rates that could outstrip those of major Western countries for decades to come. China's economy is growing at more than nine percent annually, India's at eight percent, and the Southeast Asian 'tigers' have recovered from the 1997 financial crisis and resumed their march forward. China's economy is expected to be double the size of Germany's by 2010 and to overtake Japan's, currently the world's second largest, by 2020. If India sustains a six percent growth rate for 50 years, as some financial analysts think possible, it will equal or overtake China in that time."

Hoge measures the approach of the crisis in decades, but cautions that war might not follow such a neat timeline, "the flash points for hostilities — Taiwan, the Korean Peninsula, and divided Kashmir — have defied peaceful resolution. Any of them could explode into large-scale warfare that would make the current Middle East confrontations seem like police operations. In short, the stakes in Asia are huge."

To counter emerging rivals, the Pentagon is undertaking "the most extensive

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PLP SUMMER PROJECT CRACKS KERRY'S PRO-WAR FESTIVAL

BOSTON, July 30 — Seventy members and friends of PLP just completed a very successful Summer Project at the Democratic National Convention (DNC). The week was packed with agitation, workshops, forums, demonstrations, socializing and comradeship. It was a very positive, intense experience for everyone. At least a dozen people joined PLP. Many workers and youth responded positively to our anti-fascist, anti-imperialist, anti-Democratic Party message. We distributed over 3,500 CHALLENGES and 10,000 leaflets.

We continually attacked Kerry and Democratic (as well as Republican) politicians as war-making enemies of the working class. We told anti-war people who plan to vote for Kerry that he calls for staying the course in Iraq and says as President he would enlarge the military by 40,000. The rulers need Kerry to build popular support for their profit wars abroad and police state at home. (See editorials in recent CHALLENGES)

Encircled by cops, we chanted: 'Bill Clinton you can't hide, we charge you with genocide.'

We attended the Boston Social Forum (BSF) where we had a PLP table and three PLP-sponsored workshops on oil and imperialism, the truth about democracy, and nationalism, racism and war. About 50 BSF participants attended our workshops. Many stopped at our table and we made a number of contacts.

On July 25, about 50 of us held a bold, unannounced multi-racial march and demonstration at a hotel reception for Bill and Hilary Clinton. Encircled by cops, we chanted: "Bill Clinton you can't hide, we charge you with genocide." We pointed out that the Clinton-Gore administration — with Kerry's support —murdered over a million Iraqis, mostly children, with U.S.-led sanctions and bombing as part of a desperate attempt to bring Iraqi oil back under Exxon-Mobil's control.

Our bold, disciplined anti-Clinton/anti-Democrat march inspired everyone and set a militant, anti- fascist, anti-war tone for the week. We divided into six teams of young and old, black, Latin and white, from all regions of the country and carried out anti-DNC agitation in working-class neighborhoods and at DNC-sponsored and psuedo left-led forums and protests. We distributed about 4,500 PLP leaflets attacking Kerry and the Democrats as the party of war and fascism and no better than Bush. During the week, PLP led two more spirited demonstrations and marches attacking the Democrats, Harvard University as a bastion of racism and imperialism and the Massachusetts Bay Transportation Authority (MBTA).

MBTA cops conducted "random" baggage searches and ID checks of commuters.

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THE SHARPENING INTER-IMPERIALIST RIVALRY CAN ONLY LEAD TO WAR

CONTINUED FROM FRONT PAGE

realignment of U.S. power in half a century. Part of this realignment is the opening of a second front in Asia. No longer is the United States poised with several large, toe-hold bases on the Pacific rim of the Asian continent; today, it has made significant moves into the heart of Asia itself, building a network of smaller, jumping-off bases in Central Asia" (Pittsburgh Post-Gazette, 7/26, citing Andy Hoehn, Deputy Assistant Secretary of Defense). Pentagon insiders conclude that the main rationale for these bases is not the war on terrorism but "containment of China." U.S. strategists plan to "position forces along an 'arc of instability' that runs through the Caribbean, Africa, the Middle East, the Caucasus, Central Asia and southern Asia. It is in these parts of the world — generally poor, insular and unstable — that military planners see the major future threats to U.S. interests" (Post-Gazette). Since the days of Jimmy Carter, "interests" has been a code word for oil. The proposed arc of troop deployment coincides with the chief export routes for Mideast, Caspian, Russian and West African crude.

China's capitalist rulers, hardly sitting on their hands, are "modernizing [their] military forces, both to improve [their] ability to win a conflict over Taiwan and to deter U.S. aggression. Chinese military doctrine now focuses on countering U.S. high-tech capabilities — information networks, stealth aircraft, cruise missiles, and precision-guided bombs." (Post-Gazette) China is creating a blue-water navy that can someday challenge the U.S. for control of oil shipping routes. Naval experts predict that China will become the world's biggest shipbuilder by 2015.

While China looms in the future, U.S. rulers have no shortage of present enemies. Another CFR guru, Walter Russell Mead, wrote in the Los Angeles Times (7/25), "The U.S. may wind up facing in Iran the choice our intelligence agencies told us we faced in Iraq: between military action against a rogue regime or allowing that regime to assemble an arsenal of nuclear and other weapons of mass destruction....The U.S. is closer than many think to what could well be the biggest and most difficult crisis in the war on terror yet."

The rulers have their own long- and short-term battle plans. We have ours. One day, we or our successors will make a communist revolution that will put an end to capitalism and its wars for profit. In the meantime, to reach that seemingly distant but inevitable goal, we must build the PLP. The pages of CHALLENGE offer the lessons of ideological and class struggles needed for that process, including showing that capitalism (either led by Kerry or Bush in the case of the U.S) makes war inevitable.

(*A future article will deal with how the demise of the old communist movement created both new areas of exploitation for U.S. , Western European and Japanese imperialism as well as new competing capitalist powers.*)✪

Obama: Liberals' New Hero 'Forgot' About Racism

Barak Obama, the keynote speaker at the Democratic National Convention and next Senator from Illinois, is the rising star of the Democratic Party and the Rockefeller wing of the U.S. ruling class. Groomed and educated at Harvard Law School, the first black editor of the prestigious Harvard Law Review, and on the faculty of the University of Chicago (UC), Obama has "the face, voice and manner of a practiced anchorman. His style was not…old school…but rather it was made for the television screen…" (Chicago Tribune, 7/28)

His Boston speech attacked crime and welfare, but never mentioned the word "racism." He joined the Bill Cosby chorus and put the burden of education on black workers instead of the government and society. Right after the convention, he addressed the Chicago Council on Foreign Relations where he toed the party line, attacking Bush for mishandling the Iraq occupation, and calling for more troops and a long stay.

During the Senate primary race I volunteered at his South Side office. He took black voters there for granted, attending churches and other middle class black venues. The only mass rally was on the night before the primary election at Liberty Baptist church. But even then, he showed up rather late and basically made a sermon, rather than a political speech about what he intended to do. Outside the rally a group of unemployed black youth protested against him. One told me Obama was just another politician.

He reached a major stage in his political rise when elected one of the youngest state senators. He ran against Jesse Jackson Jr. in 1998, gaining some important political experience and exposure, and leading to an ongoing feud between the two liberals, only healed at the Democratic Convention. Both Jesse Jr. and Senior refused to endorse Obama during his primary run.

He returned to the State legislature and kept his UC job. During the first phase of the primary campaign in 2003, much work was needed to get him known among the black working-class community. Many had never heard of him.

He organized a multi-racial base for the South Side, bringing on board Hyde Park liberals and UC students. He also developed a specific cadre to deal with major events on college campuses, especially Chicago area's black colleges. He aggressively sought southern Illinois Democratic voters, and won key endorsements from the AFL-CIO, especially SEIU.

Obama is emerging as a major player in the consolidation of liberal fascism in this country. In future articles we'll try to uncover his specific ties to the Rockefeller wing of the ruling class. We'll also look at how communists working in his campaign must deal with the contradiction of "being in it to win it," (one has to be among the masses to win them to PL's politics) while exposing the ruthless core of liberal fascism as the great danger to the working class. There must be a real powerhouse behind him to account for the sudden rise for which his training has prepared him.

CHICAGO READER

Crack Democratic Pro-War Festival

CONTINUED FROM FRONT PAGE

We distributed about 5,500 PLP leaflets city-wide at subway stations and led a militant picket line against this MBTA fascist plan right inside one of the city's busiest, working class subway stations. Many workers, professionals and youth were opposed to the MBTA plan. Another team distributed 500 anti-MBTA leaflets and 100 DESAFIOS to workers in a Latino working-class area.

Another team led a march in one of Boston's working-class housing projects to protest racist police brutality and murder. Residents eagerly took about 150 copies of CHALLENGE. Later the same team leafleted and distributed 270 copies of CHALLENEGE to workers and patients at a large local hospital.

We also went on the ideological offensive against so-called left Democrats like Dennis Kucinich and Jesse Jackson, exposing their role keeping workers and students inside the Democratic Party. Two teams picketed at a church where Jackson spoke and confronted him when he left (see letter page 3).

We met many people angered by the Democrats and opposed to war and fascism. We made over 50 new contacts. The Project culminated with a banquet of 100 which included communist raps and songs and speeches about the fight against racism in Boston 1975, building a worker-student alliance and the difficult but important task of building for communist revolution.

We also organized PLP workshops on industrial organizing; unions and communist base-building; imperialist war, military work and communist revolution; elections, war and fascism; and the dictatorship of the proletariat and the revolutionary process.

One of the Project's strengths was the willingness of the leaders and participants to try to correct the mistakes made during the project and then move forward. The project developed a whole new set of leaders and encouraged the political development of many others. (For more details see page 3).

The Project gave us more confidence in the Party's ability to organize workers and students around communist politics.✪

WHAT WE FIGHT FOR

✪PLP fights to smash capitalism—wage slavery. While the bosses and their mouthpieces claim "communism is dead," capitalism is the real failure for billions all over the world. The Soviet Union and China returned to capitalism because socialism maintained too many aspects of the profit system, like wages and divisions of labor.

✪Capitalism inevitably leads to wars. PLP organizes workers, students and soldiers to turn these wars into a revolution for communism. This fight for the dictatorship of the proletariat requires a mass Red Army led by the communist PLP.

✪Communism means working collectively to build a society where sharing is based on need. We will abolish work for wages, money and profit. Everyone will share society's benefits and burdens.

✪Communism means abolishing racism and the concept of race.

✪Communism means abolishing the special oppression of women workers.

✪Communism means abolishing nations and nationalism. One international working class, one world, one Party.

✪Communism means the Party leads every aspect of society. For this to work, millions of workers — eventually everyone — must become communist organizers.

JOIN US!

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CHALLENGE/DESAFIO (ISSN 0009-1049) published bi-weekly by Challenge Periodicals. 1 issue $.50. Subscription: $15. Six months: $10. Send address changes to *CHALLENGE* Periodicals, GPO 808 Brooklyn, NY 11202. August 18, 2004 Volume 38, No.41

BOSTON SUMMER PROJECT!

The 2004 PLP Boston Summer Project, my first, was more than I could've expected – a truly life-altering experience. As one comrade said, "I'm a different person today than when I arrived." Everyone experienced a qualitative change, both individually and as a member of PLP, and of a larger revolutionary communist movement.

For many, it was the first time they worked with other PL members from around the country and the world. Each comrade grew substantially as a communist and as a future leader of PL, forced daily to struggle with their own personal limitations and contradictions as well as with those of the collective.

'Amid all the crass revisionism (phony leftism), reformism and liberal misleadership surrounding the Democratic Convention, the Summer Project demonstrated how workers can be won to PLP.'

The Summer Project Banquet revealed the fruits of the week's political struggles: a number of friends of PL and project first-timers enthusiastically joined the Party, vowing to fight to smash capitalism.

The week in Democrat-occupied Boston was largely spent exposing that party's imperialist and fascist foundations, and struggling to win workers and students to communist ideas, to the fight against capitalism, and to join PLP. Comrades attended workshops and discussion groups at the Boston Social Forum (the local counterpart of the World Social Forum held last year in Porto Alegre, Brazil) and struggled against the "Anybody-but-Bush" lesser-evil arguments and reformist strategies put forth by many anti-war activists and left liberals. At mass demonstrations we distributed thousands of PL leaflets and CHALLENGES as comrades marched through downtown Boston chanting, "Same Enemy, Same Fight, Workers of the World Unite!"; "Hitler Rose, Hitler Fell, Bush And Kerry Go To Hell!"; and, "The Workers, United, Will Never Be Defeated, Obreros, Unidos, Jamás Serán Vencido!"

A highlight was a chant exposing the blatantly fascist scene when a group of Pro-Lifers carrying posters of aborted fetuses were being escorted by the State Police in full riot gear — in other words, fascists protecting fascists! We yelled: "Tell Me What Fascism Looks Like — *This* Is What Fascism Looks Like!" Some comrades picketed and sold CHALLENGE at the hotel housing the Clintons and Madeline Albright. Others confronted Jesse Jackson, surrounding his limousine and chanting, "Jesse Jackson You Can't Hide; We Charge You With Genocide!"

The most important political work, however, occurred in Boston's racially segregated, working-class neighborhoods. A PLP-led demonstration against police terror was organized in a predominantly African-American and Latina/o working-class community. Leaflets denouncing the recent police murder of a 56-year-old mentally-ill Latino man were distributed. Over 150 CHALLENGES were sold, leading to a number of contacts. Workers gathered at corners, stood on porches or leaned out of windows listening to comrades' speeches linking fascist police terror at home to imperialist wars abroad, capitalist exploitation to racism and sexism, and the fight against all of capitalism's evils to the struggle for communist revolution.

The majority of workers agreed that both Democrats and Republicans serve the bosses and that elections don't fix, let alone address, the most crucial problems facing our class. Overall, workers proved highly receptive to communist ideas, realizing that the bosses' scam elections will never bring about the much-needed changes all workers so desperately desire.

Amid all the crass revisionism (phony leftism), reformism and liberal misleadership surrounding the Democratic Convention, the Summer Project demonstrated how workers can be won to PLP. It also revealed to many young comrades how vital PL's role truly is in the fight for communist revolution.

WEST COAST COMRADE

Kerry Hand-shaking Can't Hide Pro-War Stance

I met a woman in Boston at the Democratic Convention who had two tickets to meet John Kerry. We became friends and decided to enliven the meeting with two anti-war posters. (Both of us worked with the Dennis Kucinich campaign, which had a strong, vocal opposition to the war in Iraq.)

We were unsure about being able to carry the placards — the security where we were to meet Kerry was overwhelming. But we swallowed our apprehension and, emboldened by the week's lively political activities, stuck to our plan. (I had witnessed unbelievable crowd energy at the Boston Social Forum.)

It almost didn't happen though. The security at the Boston Harbor was insane! The police presence was massive and depressing. Signs were barred — either the approved Kerry signs or homemade ones. But we decided to try anyway. At worst they would throw them away.

The security guard looked at our signs reading, "End the War in Iraq Now!" and smiled. He said he had no problem with them and let us through. We were ecstatic. People around us carrying Kerry/Edwards signs had to leave them outside, but not us.

As we waited for Kerry, I talked with my new friend about the war in Iraq, about empire and imperialism, about how both Kerry and Bush were for sending and maintaining troops in the Mid-East. Kerry is no friend of students or working people in the U.S. or anywhere else. When he arrived, the crowd cheered and shouted support for Kerry and Edwards — all except us who boldly held up our anti-war signs and shouted for Kerry to end the war in Iraq.

The people around us were unhappy. A few told us to take our signs down, that this wasn't the time or place — "too divisive." One said we were helping to elect Bush. This reaction was NOT what my friend was expecting. We had been repeatedly told all week that most Democrats don't support the war.

My friend was angry with the crowd; we held our signs higher and screamed louder against the war. When Kerry went around shaking hands, my friend grasped his hand and told him to end the war and withdraw the troops. His response was, "I'm working on it." Afterwards, to my pleasant surprise, my friend said she was not impressed with Kerry and was upset with him and the crowd for their position about our signs. After his Thursday speech, she was even more upset at his pro-war stance. Since she lives near me, we intend to keep in touch.

I think that she and many others are winnable to PLP's ideas. All this has shown me we can have experiences like this, meet people, make friends, and make our politics count! This will help me be bolder at my job and in my own city.

All throughout the week, I met people who were both committed to changing the current administration and disgusted with the Kerry campaign, people who are receptive to PLP's ideas. One young man told me, "Those PLP people are hard core. I respect that they're militant, principled, young and multi-racial." This is a very good sign.

A COMRADE

Project Created New Young Leaders

Many different organizations participated in the Boston Social Forum and the demonstrations at the Democratic National Convention. Although PLP participated in the Forum and met many potential comrades within its ranks, we stand apart. We're the only Party calling for communist revolution while working within mass organizations. We're not trying to reform capitalism, because we know, at best, that only happens on a small, temporary scale, which the bosses ultimately reverse. We don't waffle on Democrats vs. Republicans, not choosing between evils. We advocate fighting for a communist world free of capitalist exploitation, led by the working class which produces all value. We're not led astray by Ralph Nader's promises of a "kinder, gentler" capitalism.

Our organization mirrors the kind of world we envision. We're black, Latin, white and Asian; young and older, workers and students. We don't have "stars" who give every speech and lead every meeting. Virtually every PLP Summer Project participant spoke or led chants at one of the demonstrations or meetings. There were many firsts for individual participants, including selling CHALLENGE, speaking on the bullhorn, asking a potential recruit for contact information and for donations, and speaking out at meetings. Comrades under 30 led the teams, planned the activities, figured out the logistics and guaranteed security.

The Summer Project proved that our future is in good hands. While we have a long way to go to make communism a reality on a large scale, the Boston Summer Project showed it is possible and played a big role in developing the leadership which will create communism.

MID-WEST COMRADE

DC TRANSIT WORKERS APPLAUD RED PREZ FOR NO SELL-OUT PLEDGE

WASHINGTON, D.C., July 31 — Over 300 transit workers from Amalgamated Transit Union Local 689 greeted PLP'er Mike Golash at the first union meeting following his election as president. Mike thanked the predominantly black workers for the confidence they showed in him, a white anti-racist communist, saying his membership in PLP would ensure his wholehearted commitment to black, Latin and white workers' struggles, both immediate and long-term. Mike declared the union must never surrender the strike weapon. He received a rousing ovation for this "maiden speech."

Mike then warned of a tough upcoming contract fight because of the unprecedented $40 million payment the bosses were required to make to the pension fund. Management had conned the previous president into approving accounting tricks to avoid this payment and thus jeopardize the pension fund. Mike vowed to lead the workers in fighting such a deal. He asserted that any gains won in the upcoming contract would be used to foster greater equality among union members, to strengthen the basic solidarity of the union.

Thus, a new chapter of class struggle began with communist leadership of a major industrial union local, out of which many new members can be won to PLP.✪

International Solidarity Needed in Fight vs. DaimlerChrysler

FRANKFURT, GERMANY, July 23 — "We found a good solution for DaimlerChrysler as well as for Germany," said DaimlerChrysler CEO Jürgen Schrempp. "These… agreements are helping to improve cost competitiveness, making companies more productive…We're going to see more of this," said Elga Bartsch, an economist at Morgan Stanley in Frankfurt. "There are difficult conditions for the company, and we've come up with a fair agreement," said Erich Klemm, chief workers' representative and deputy chairman of the company's supervisory board.

The auto boss, the Wall St. banker and the union hack were referring to the new contract between DaimlerChrysler and the metalworkers' union IG Metall that will gradually increase the work-week to 40 hours, and cut wages by 2.79% in 2006. Other pay increases will be capped at 1.5%. This contract will reduce costs by $613 million a year, and follows an agreement by 4,000 Siemens workers who produce mobile telephones, to extend their work-week after the company threatened to wipe out 2,000 jobs and shift production to Hungary. Germany's largest car and truck builders, Volkswagen and MAN, and a whole series of factories and service companies will follow the example of Siemens and DaimlerChrysler.

If you listen closely, you can hear the Nazi jackboots goose-stepping across Germany again. The economy is weak, the official unemployment rate is 9.8%, up from 7.6% at the end of 2000, and union membership has dropped by more than one-third since Germany's reunification in 1991. These are the fruits of the inter-imperialist rivalry, and the collapse of the old communist movement.

The company had threatened to cut 6,000 jobs at the company's largest Mercedes plant, in Sindelfingen, and shift some of the new C-class Mercedes production to plants in Bremen and East London, South Africa.

On July 15, workers participated in a range of strikes and other actions, stopping production of at least 2,800 cars. (See CHALLENGE, 8/4) However, we need more than strikes and protests to end these attacks.

These concessions are just the beginning. The downward spiral will accelerate. Just ask U.S. Chrysler workers. DaimlerChrysler, with 360,000 workers and factories worldwide, is locked in an intense struggle with U.S. and Asian auto bosses for cheap labor, markets and resources. Not only must they compete against GM and Toyota, but Daimler plants in Europe, the U.S., Asia and Africa are played off against each other as well. After wages and working conditions have been driven down in Germany, the downward spiral will continue at plants in the U.S., South Africa, Argentina, Brazil, India and China.

'CONFLICT OF PRINCIPLES'

Chancellor Gerhard Schröder said that he was very worried about the DaimlerChrysler struggle, and warned of a "conflict of principles." In the "Financial Times Deutschland," he said, "Those who create ideological battle lines in this question can only unsettle people and harm the economy." But a conflict of political principles is exactly what's needed.

The struggle against the bosses' attacks is a political one. The sharpening inter-imperialist rivalry and the capitalist crisis of overproduction are behind the worldwide attacks on autoworkers. This is compounded by the transnational character of the auto giants of the U.S., Europe and Asia. Nationalist union leaders, loyal to their bosses, attack the workers to accept wage cuts, longer hours and the dismantling of social reforms to prevent production from being shifted elsewhere.

This rivalry among billionaires is creating more poverty than cars, and will ultimately be resolved through war. Only a mass, international PLP, based among industrial workers, soldiers and youth that recognize no borders, can lead the international working class out of this horror, with communist revolution. With communist leadership, autoworkers can take advantage of working in transnational companies to expose the nationalist/patriotic union leaders, unite with workers around the world, and build a mass international base for communist revolution.

The capitalists organize their operations on a global scale, and the working class must respond in kind. There is no quick or easy short cut. Autoworkers must prepare for a long, hard political struggle, fighting the billionaire war-makers every step of the way, and out of each battle building the revolutionary communist PLP.✪

Ford Profits Mask Sharpening Contradictions

DETROIT, July 20 — Ford Motor Company reported a $1.2 billion second-quarter profit today, nearly tripling its earnings from a year ago. But Ford Credit, the company's finance division, contributed $897 million, more than doubling last year, while the company lost $57 million building cars and trucks. Ford and General Motors have high inventories and are losing market share in the U.S.

Merrill Lynch analyst John Casesa wrote, "The overwhelming concentration of earnings in financial services will likely give investors reasons for pause," especially since the Federal Reserve has begun raising interest rates.

Ford's Jaguar division, part of the Premier Automotive Group, a collection of European luxury brands owned by Ford, is also struggling. Ford hoped Premier, which includes Land Rover, Aston Martin and Volvo, would be a major source of profits after the company lost $5.5 billion in 2001. Instead Premier lost $362 million for the quarter, in part due to the strength of the euro, which makes it more expensive for European automakers to export to the United States. Jaguar sales have been weak, and along with Land Rover, are not meeting "cost-cutting targets."

Ford is cutting production in the U.S. for the third straight quarter, while Toyota, the profitable Japanese automaker, is increasing production by 10%.

Ford To Build New Auto Plant in China

Meanwhile, Ford plans to build a third factory in China with an annual capacity of 200,000 units, part of a $1.5 billion expansion of its 50-50 joint venture with Changan Automobile Group. The project also involves Japan's Mazda Motor Corp. Ford owns one-third of Mazda. About 100,000 units will be a Mazda subcompact, the rest an unidentified Ford model. Production will begin in 2007.

Ford was a latecomer to China, beginning auto production in 1997. It's trying to catch up with U.S., German and Japanese rivals, who are also expanding their China operations.

Volkswagen plans to invest up to 5.3 billion euros ($6.5 billion) in China by 2008 and GM is investing another $3 billion over the next three years.

Ford builds Mondeo and Fiesta sedans at a plant in Chongqing, in western China, and Ford Transit light trucks in Jiangxi province with Jiangling Motors Co., a Chinese light truck and van maker in which Ford has a 30% stake. The Mazda 6, Mazda 323 and Premacy are made in China in a venture with China FAW Group Corp., one of China's largest carmakers.

The international battle for cheap labor, markets and resources is at the heart of the inter-imperialist rivalry that is shaping world events. Production cuts, investment in China and "cost-cutting targets" in Europe all signal increased attacks on autoworkers worldwide. And saddled with nationalist, pro-capitalist union leaders, each out to make "their" bosses #1, workers are caught in a whirlpool, squeezing their living standards lower and lower. Ultimately, this increased imperialist rivalry, and more patriotic/nationalist "leadership," will head the working class into bigger and more deadly wars for profit.

Even so, these attacks are not all going down smoothly. From the recent Daimler strikes in Germany, to much smaller actions, workers are showing a willingness to fight back. At one here, workers returned from the summer shutdown to find all the escalators in their sprawling plant inoperable. This meant much longer walks to and from their work assignments. Mysteriously, the air conditioning in the bosses' offices was also shut down until the escalators were running again.

Current conditions cry out for revolutionary communist leadership. Every attack, including the UAW leadership's China-bashing and support for Kerry the war-maker, offers us a chance to fight for communist politics and build a base for PLP. This is not only possible, but is happening.✪

Union Hacks' Nationalism A Loser As Mitsubishi Plans Firing of 1200

NORMAL, IL, July 22 — Mitsubishi Motors North America will fire up to 1,200 workers at its assembly plant here, dropping to one shift in October, cutting its capacity in half. The plant employs 3,150 workers and can produce 240,000 vehicles annually.

Mitsubishi, the second-largest employer in this area, sold a record 345,000 vehicles in the U.S. in 2002, but sales sank 26% last year and are down 27% this year. Mitsubishi Motors of Japan piled up $9 billion in debt before announcing a reorganization that includes plant closings in Japan and cutting 20% of its global workforce. In Japan, Mitsubishi has been losing money and was forced to recall vehicles after covering up defects for years.

The Normal plant will continue to produce four Mitsubishi models. The plant's production of the Dodge Stratus and Chrysler Sebring coupes, under a contract with the Chrysler Group, will end in April. DaimlerChrysler, the Chrysler Group's parent, owned a 37% stake in Mitsubishi but declined to bail out its Japanese partner, forcing Mitsubishi to reorganize.

The 1,200 workers here are the latest victims of the worldwide capitalist crisis of too much production capacity and too many companies fighting for market share. Stephen Girsky, a Morgan-Stanley auto analyst, said, "Mitsubishi's problem is compounded by the fact they also have a lot of debt. Ford and General Motors have overcapacity problems, too, but they have the finances to weather the storm," casting doubt on Mitsubishi's ability to survive in the U.S.

United Auto Workers Local 2488, representing 2,700 workers, is reduced to ensuring the cuts are "based heavily on seniority." They and the Detroit UAW leadership have no plan or vision to build an international fight-back because they're wedded to the profit system and blinded by nationalism. All their China-bashing is a big distraction. Even if Kerry is elected in November, it will not alter the laws of capitalism one bit. Increased poverty, unemployment and union-busting are just the prelude to more wars and a fascist Homeland Security police state. Building a base for CHALLENGE and PLP among basic industrial workers is the key to building a mass revolutionary communist movement, the only answer to endless capitalist crises.✪

Bosses Terrorize NYC Workers: Fares Up, Wages Down

NEW YORK CITY, July 31 — This city and state's bosses and bankers have hit the working class with a one-two punch and we don't mean another fake Code Orange "terror alert": they're raising subway and bus fares, which amounts to a wage-cut, and applauding Governor Pataki's veto of an increase in the minimum wage for 700,000 workers. All this is happening with the electoral circus in full swing. But sure as hell the workers don't get to vote on transit fares or minimum wages. Under capitalism, those "choices" are reserved only for the bosses.

Both moves stem directly out of U.S. capitalism's drive to place the cost of their imperialist moves for world domination squarely on the backs of the working class. Washington's allotment of hundreds of billions to prosecute their wars in Iraq and Afghanistan — and thereby cutting Federal aid to states and cities — produces "deficits" in local budgets. The politicians then cover these "deficits" out of workers' paychecks, to pay off the bankers while giving low-wage bosses a free ride.

THE FARE HIKE FRAUD

Raising fares for all workers — while cutting bus service for night workers — shows how capitalism operates to reap maximum profits for the banker-bosses. Mass transit is a vital service without which the city couldn't function — very few people could get to work, and very few bosses could make any profit.

Until the late 1940's, all transit costs — as all vital services — were paid from the general city treasury Then, in 1948, the Transit Authority was established (now the Metropolitan Transit Authority, or MTA). It mandated payment of all operating costs, including workers' wages and benefits, from fare revenue. This created a built-in division in the working class: whenever transit workers needed a raise to cover the rising cost of living, the fare would automatically increase. Then the bosses' media would loudly proclaim that transit workers were taking money from the rider-worker's pockets.

Meanwhile, the MTA paid for capital improvements by borrowing from the big banks, producing a huge debt and hundreds of millions in interest being funneled to these bondholders. So huge "deficits" were created, which would impel even more borrowing and more interest, and on and on.

In 1999, the MTA, taking it one step further, "borrowed unprecedented amounts" for a five-year capital budget program. The "payments on that debt is the primary driver of the authority's current problems."(N.Y. Times, 7/29) How to pay off these bankers? According to State Controller Carl McCall, the "debt really had to be paid from the fare box." (NYT) So it's the banks that really own the transit system, and the working class that pays for it, to keep capitalism functioning.

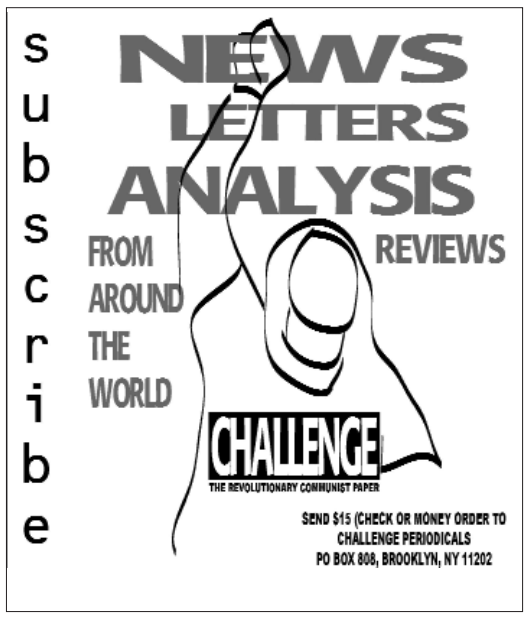
MINIMUM WAGE = POVERTY WAGES

The second blow delivered to the poorest workers was Pataki's veto of a proposed increase in the minimum wage, from the current $5.15/hr to $7.15 — by 2007! — a move which Pataki says "would damage New York's business climate." (NY Daily News, 7/30) Capitalism's priority is always bosses' profits. The damage to workers of poverty-level wages is never a factor.

But even if the State Legislature should override Pataki's veto, $7.15 an hour is still way below the government's own poverty-line figures. So the politicians and the labor misleaders who cry crocodile tears over Pataki's veto are not exactly worried about how families will make ends meet on $7.15 an hour — BEFORE taxes — an amount they wouldn't reach until 2007.

Both the fare hike and the poverty wages hit the poorest workers the hardest, overwhelmingly black and Latin in this city, still another way that capitalism's racism super-exploits these workers and hits white workers in the pocketbook as well. Racism hurts ALL workers.

The answer? While fighting back against these attacks, we must recognize none of these problems will be solved under a profits-first, workers-last system. Communist revolution would destroy capitalism and its wage system. Abolition of that system is the only road to eliminating exploitation, racism and poverty. Joining PLP is the surest way to guarantee that future.✪



Hacks' Betrayal of Grocery Strike Becoming Model For School Sellout

My friend is one of the grocery store workers, members of the UFCW (United Food and Commercial Workers) who struck Von's in California last October. She organized other workers to support the picket lines, returning to work in March, after the vote to accept a new contract.

Although an active striker, she was very critical of the union leadership and is disgusted with the terms of the new, three-year agreement. From my own experience in talking to workers on the picket line and from reading the CHALLENGE articles (3/17/4), I believe there are many grocery workers besides my friend who agree that workers can run the world much better than capitalist bosses and their class lieutenants, the union hacks, and to benefit the working class, not to enrich the bosses. My friend and I need to talk more about the answers that communism has for the world's workers. Here are some of her observations on the strike.

Q. What were the main issues leading to the strike?

A. The owners wanted to charge us more for medical co-payments; to pay new workers less; and make it more difficult for all of us to reach the highest salary range. They said they needed lower wages and concessions in order to compete with mega-stores like Wal-Mart.

Q. Did the new contract provide any relief from these demands?

A. NO! We actually have worse working conditions now than before the strike. Besides winning the cutbacks they wanted, the grocery bosses, at least here at Von's, have demoted workers from checkers to baggers, reducing their pay from $17.90 to $6.75 per hour.

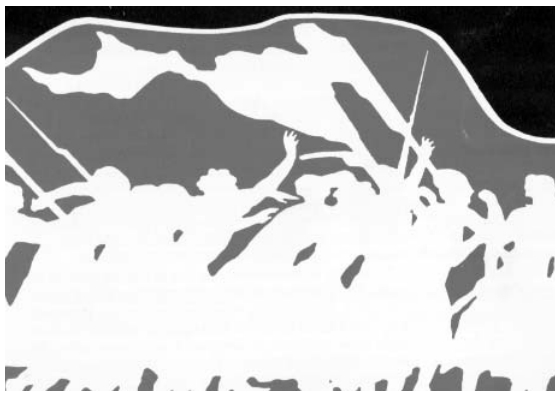
Q. What could the union leaders have done to make the strike successful?

A. For one thing, they could have kept the picket lines going at Ralph's [The union agreed to let Ralph's — which locked out workers when the UFCW struck — re-open after a few weeks, claiming workers had nowhere else to buy food.] They also could have organized more unions to help us picket, and insisted that the local Labor Council and the AFL-CIO provide more support. Many grocery workers were very militant on the picket lines at their home stores, but the local union leadership transferred those workers to other stores to "calm them down." The union wasn't willing to go all the way for us.

Grocery workers are not alone in facing such attacks. Gov. Schwarzenegger has made it a priority to broaden the use of contract labor in non-teaching jobs in California schools. The unions are supposedly "fighting back" with a letter-writing campaign and rallies in Sacramento, but have no plans for local or state-wide mobilizations. Their weakness should not surprise us. Their stand has always been to use the Democratic Party to win concessions from the State, not to organize school workers to strike for better conditions and end contract labor, much less to use such actions to realize our potential power to unite as a class against the bosses' fascist attacks and their war.

Communists in PLP can make the key difference in organizing the working class, no matter where they work. We need my friend and others to join the Party and move the working class forward, beyond strikes and toward the fight for workers' power through communist revolution.✪

PLP's Ideas Spark Discussion of Revolution



"What I see is that soon we're going to be in the streets protesting. Things can't continue like this. The only road that's left to us is revolution."

So spoke an older worker during a political discussion on my job. These days the word "revolution" doesn't draw the same surprise it did a few years ago when the workers would view you as a little "far out," or as a good person who was dreaming.

This discussion was provoked by a PLP leaflet about health-benefit cuts, and about how we're under attack, losing a little more every contract period. For example, we got an "increase" of 50¢ an hour per year but lost more than $5 an hour in health and other benefits.

This is besides the fact that the purchasing power of our wages is decreasing while the cost of gasoline, housing, food and clothing is all rising — we're going backwards like a crab. The current union leaders play a game with the bosses, trying to prevent real class struggle.

Either we fight back and defy the bosses' laws or we prepare to live on the streets — that's how things are going. But when we do fight, the biggest victory is realizing the potential power of a united working class able to eliminate this rotten, racist capitalist system.

A few days later there was an opinion piece in the daily newspaper about an upcoming U.S. "military exercise" with seven carrier groups off the coast of China to warn that country "not to touch Taiwan." The writer said the purpose of such a huge U.S. force was to make China fearful of ever challenging the U.S. This writer said the exercise would have the opposite effect — causing China to accelerate its plans for a deep-water Navy that could eventually challenge the U.S.

I showed this article to my friends at work. Sometimes they think I'm exaggerating when I say capitalism makes wars and world war inevitable. But after reading this article, they said I was right about world war being inevitable.

We must take advantage of every opportunity to show workers that capitalism means wars for profit and that the only way out is to fight for a revolution and a communist system that meets our needs.✪

'Better to be a red than a rat...'

An example of how workers respond to PLP leaflets happened recently with the one mentioned in the adjoining article. The workers posted it everywhere so their co-workers could read it. In one of the areas someone wrote "communist propaganda" on it. But it still stayed up for a while. Then someone threw it on the floor. Soon another worker picked it up and posted it in an even more visible spot and wrote on it that it was "better to be a red than a rat"!✪

LETTERS

Inspired by PL'ers 'on the front lines'

The experience in the Boston Summer Project with the most impact on me occurred in the daily workshops. There comrades discussed serious issues of fascism, imperialism, and the need for comrades to work in the military and industry. Although broad topics, each discussion was focused, in depth and detailed. In both the industrial working class and military workshops, we heard from comrades on the front lines. It was inspiring to see these comrades very literally dedicating their lives to the death of capitalism via base-building in these crucial areas. All of us were inspired to redouble our efforts and rededicate ourselves to finding work in these key areas or supporting those who are there.

The workshops also presented good historical background, with speakers giving critical analysis of important past events that can shape our current fight. Hearing about current workers' struggles from LA to NY was also inspiring and a learning experience.

As a first-time Summer Project participant, I was impressed at how all workers' opinions, younger and older, were respected, always emphasizing the dialectal process. The workshops, in combination with all the activities, served to better equip all comrades to smash capitalism and fight for communism.

D.C COMRADE

We ARE making a difference

The Boston Summer Project taught me that we are not alone in the fight for communism, that working as a collective we can deal with all problems.

Before getting there, I was very excited about how it would change me and my team. Although we experienced some miscommunications and lack of planning, our internal struggles helped us understand our limits and contradictions and clarify our line as a Party, enabling us to address these issues and become stronger and more committed comrades.

As a collective we were able to make decisions and overcome last-minute change of plans. During the Boston Social Forum, we chose workshops that were best for making contacts to build a base in Boston. We expanded our numbers and sharpened our arguments against liberalism and for communism. Although very hectic, it pushed us to have nightly discussions on what we had done and to plan for each day.

Our team attended a conference on Haiti where activists from many countries shared their struggles in organizing the working class, emphasizing overthrowing capitalism through revolution. One comrade explained our work among LA garment and transit workers and the need for the working class to fight the bosses. He indicated that we must take it in our own hands, not rely on politicians to reform the system. To overthrow capitalism we must also organize among the military.

A Haitian woman activist conveyed the necessity of organizing workers even under the most oppressive conditions. Many commented and shared their own experiences in organizing the working class. The role of women was discussed, declaring that without women there cannot be a revolution, that it is imperative we struggle against the sexism that still persists in our organizations.

The speakers' successes and struggles reinforced my feelings about our work within the working class to fight for communism. We ARE making a difference. It further strengthened my commitment to PLP. When the four-hour conference ended, everyone's experiences inspired us to fight harder.

We also organized a demonstration in a working class neighborhood against police brutality and the killing of Luis Gonzalez. We showed them CHALLENGE which presented an alternative to Bush or Kerry. This was the first time that some in our group had ever sold the paper publicly. It was a huge moment. CHALLENGE helped initiate many discussions with residents. They left their apartments and asked for it and listened intently to our message. They had been waiting for people to give them an alternative to a capitalist system that oppresses them daily.

We also distributed leaflets and sold CHALLENGE at a hospital, where I sold my first paper to someone I didn't know. This helped shed fears I had and by this practice I was able to see the reality of communist politics.

The PLP workshops and banquet brought a sense of comradeship and energy that we all needed. We met comrades from all across the U.S. and around the world who are struggling for the same goals. It felt very comfortable to seek advice from the leadership about our problems. PLP is not divided into "leaders" and "followers," but rather into experienced members helping everyone to become leaders. In return, veteran members learn from newer ones. This relationship strengthens the Party.

The Boston Project brought us a more dialectical understanding about our flaws and our successes as a group. Learning from the mistakes, we became better organizers and better comrades. Despite emotional and physical stresses, as a team we made qualitative changes and experienced growth that solidified our commitment to PLP and our goal of a communist revolution.

A SUMMER PROJECT COMRADE

NEW T-SHIRT!

Put forward a revolutionary line this summer at the Democratic and Republican Conventions with Progressive Labor Party's white T-Shirt that reads:

REVOLT! DON'T VOTE

SIZES: M, L, XL. Send $10 plus $1 for shipping and handling.
Check or Money Order to:CHALLENGE PERIODICALS
PO Box 808 Brooklyn, NY 11202

Turning Attack into Fight vs. Fascism in NYC Schools

Since June I've been sitting in a New York City Dept. of Education office with four others who've been removed from their schools, just sitting. I'm one of over 1,000 NYC educational staff being punished in this way. Ninety-nine percent have done nothing to harm children, but are only "guilty" of standing up for their students, fellow workers or themselves. This punishment creates a chilling effect, not only on the targeted people, but on the entire school staff. One might think I like it just sitting here taking it easy and earning a good paycheck, but I'd much rather be working with my former students.

This all started in 2000 when I was working in a high school. I organized the staff in my department, helping unite people to oppose administrative harassment, and served as liaison to the school's union representative. The relentless attacks on me forced me to transfer to another school, but the administration there made it clear I wasn't welcome. They gave me very little work to do in my role as counselor. When my passion and enthusiasm led me to work with many students sorely in need of service, I wasn't given a place to meet with them and was told "not to enter classrooms to drum up business," something I'd never done. After five months, the principal told me to ignore my job description, trying to stop me from performing needed work, even interrupting a session with a student and her parent without any explanation to tell them not to see me again.

The next day I was given a letter advising me I was barred from the building, for "unprofessional behavior." I had no idea why and have still not been told of any charges against me five months later. The union contract allows the administration six months before issuing charges against accused workers, a provision unknown to many school staff. Some have been sitting in limbo for years.

This system intimidates school staff from fighting back. Many of the accused are also older and pressured into accepting retirement rather than fighting their case, forcing out experienced, higher-paid senior staff. Most importantly, it's one more example of fascism within the schools, where students are treated like criminals. They must pass through metal detectors, are harassed by armed cops in the halls, and arrested and handcuffed for minor infractions. Military recruiters are everywhere.

While I'm in detention with other school workers, we're discussing the nature of the system and how to bring this situation to the attention of our union delegates, parents and students. Being banished together, we'll use this opportunity to learn why capitalism needs fascism and how to become more effective fighters on our jobs.

RED TEACHER

Workers in Germany Need PLP

Schröder's Social-Democratic government, in alliance with the Green Party, is "reforming" the pension and retirement laws, to increase the years workers will need to retire. This "reform" will force workers to pay to cover the German bosses' deficit and help corporations become more competitive in the world market. The cuts will also help finance a European military machinery. Airbus is already building a new plane useful for both civilian and military transportation. Germany, France, Spain and Britain are collaborating in this project, to compete with Boeing.

Similarly, German bosses are also imposing "health reforms," forcing workers to pay more for their health care. Beginning in January, workers, including the unemployed, will no longer have free doctor or dental visits.

A recently-hospitalized school worker had to pay 10 Euros ($12.50) a day, something unimaginable in the past. European bosses want to turn the clock back on workers' rights and conditions to catch up with the USA, where 44 million lack health insurance.

Unemployed workers now fear losing their benefits entirely. Soon the government will cut 200 euros ($250) a month from jobless benefits. Since last January, an unemployed person whose spouse works will also receive less benefits. Seasonal workers will have to report three months in advance before they stop working, so the Arebitzamt (local Labor Dept.) can find him/her a job and avoid paying jobless benefits.

Meanwhile, the DaimlerChrysler workers struck on July 14-15 (see page 4). The auto bosses plan to save 500 million Euros ($625 million), threatening to move to South Africa. As usual, the IG Metall union hacks did their dirty work, betraying the workers.

Workers lack an alternative to this massive bosses' attack. They need PLP's revolutionary communist politics. Some of us are already trying to build a PLP group here, contacting immigrant and other workers.

Throughout Europe, bosses are taking away benefits won by workers through decades of struggle. Reforms won under capitalism are only temporary; workers have only one option: destroy it and its laws, and fight for communism, a society without wage slavery, without "markets" and currencies, where workers organize themselves to satisfy the needs of their class.

AN IMMIGRANT WORKER IN GERMANY

AIDS Conference Hides Bosses' Rule

While delegates to the XV International HIV/AIDS Conference in Bangkok, Thailand debated the causes and remedies of the HIV epidemic behind a double layer of police security in a climate-controlled convention center, the sexual exploitation of men and women proceeded apace just meters away. The theme for this year's conference, "Access for All," drew criticism from some of the 20,000 participants, who argued that stigmatization and gender inequality have rendered this slogan meaningless.

HIV-positive individuals accused the Gilead drug company of not making antiretroviral drugs cheap and available. Activists shouted down U.S. Ambassador Randall Tobias, former V.P. of AT&T and former CEO of the Lily Drug Co., exposing him as a liar who gutted the global fund.

Much of this hatred seemed misdirected. Protesters didn't lay bare the economic and social conditions that allow states, drug companies and healthcare super-monopolies to reap profits from phony attempts to alleviate HIV. Workshops concentrated on assisting

LETTERS CONTINUED

"sex workers," encouraging abstinence and voluntary testing and ending AIDS stigma. Buzzwords like "empowering," "capacity-building" and "social justice" seemed to be everywhere. Yet their analysis ended with lame discussions on A,B,C's (Abstinence, Being faithful, using Condoms), and changing local customs, culture and morality. The failure to challenge the fundamental social relationships that determine who gets sick and who stays healthy makes these forces complicit in this multi-national corporate smokescreen.

At the recent AFT convention demonstrators held up a banner in opposition to Kerry's stance on the war.

Thailand is manufacturing its own generic versions of the antiretroviral drugs made by U.S. and European companies and is distributing them cheaply to Thai citizens, but thousands of HIV-infected immigrant workers must pay much more for the same drugs. The Thai government's effort to legalize prostitution, already an institution there, fueled by the decades-old presence of U.S military personnel and, more recently, Western tourism, is a thinly-veiled attempt to tax and profit from this trillion-dollar-a-year industry.

The Thai government has insisted on legalizing, rather than simply decriminalizing prostitution, thereby excluding it from occupational safety and health standards. Thailand has the highest number of internally-displaced persons (IDP's) in Southeast Asia. While these IDP's are already a huge source of revenue for profiteers, the government denies them freedom of movement, access to medicine, education and legal work.

A CONFERENCE PARTICIPANT

CHALLENGE Comment: Thanks for writing. We urge you and all readers to read the report on this conference in the last issue of CHALLENGE (8/4), which focuses on capitalism's role in the AIDS plague that is killing tens of millions, especially in Africa and Asia.

When writing about "sex workers" and prostitution, the writer refers to "fundamental social relationships" that "determine who gets sick and who stays healthy," but doesn't explain this is the profit system, capitalism.

When writing about denying "sex workers" safety/health standards, he seems to imply that prostitution is some legitimate "industry" rather than capitalism forcing women and children into this degrading way of staying alive, fueled by capitalism turning sex into a commodity. Capitalism is the source of the AIDS epidemic, prostitution and drug profiteering. Communist revolution will end the "sex trade" overnight, by abolishing wage slavery and building a society based on meeting the needs of the international working class, including restoring the dignity of, and respect for, women.✪

PLP Study Group Moves GI's To Want To Be Involved

(*The previous three articles in this series reported on the involvement of sailors and marines in some practical work, on their participation in a May Day event and on a dinner at a May Day marcher's house in which the GI's debated nationalism, God, drugs, Bush/Kerry and capitalism.*)

All our previous activities led to the first study group to discuss our Party, its line, history and goals. A veteran comrade, mentor and friend agreed to chair it. Another comrade attended, to offer perspective and history.

Five people attended, three sailors and two marines. I thanked everyone for coming and turned it over to the veteran comrade. He gave good overview of the Party and what we fight for, stressing the struggle against racism as central to our work; the fight against sexism; all forms of nationalism; and the ultimate goal of establishing the dictatorship of the working class.

It started well, with questions and dialogue: How could a society function without religion? Do we respect culture in our fight against nationalism? Is it possible to have egalitarianism/equality within capitalism? Must we do away with the entire capitalist system? Does destroying the capitalist system automatically destroy oppressive ideologies?

The discussion was intense, good for our first meeting. I answered the last question on destroying oppressive ideologies by saying that eventually, they would wither away — after much class struggle — because they'd no longer have any justification/backing from the state. I stressed that it's the capitalist state that continues to manufacture these oppressive thought systems. I cited former Alabama Governor George Wallace, reasoning that it wasn't just his individual racist thought that empowered him to deny black students entry to the University of Alabama, but the power granted to him by the state. In a communist society, there would be no free speech for racism, which would be punished by the workers' state.

Overall our first meeting was successful. We're currently planning our next one to dig deeper into the issues that were highlighted.

After class my two new marine friends had some interesting questions. Firstly, why did I join the Navy? One asked why I would join the enlisted ranks if I already have a college degree. Why not apply for Officers Candidate School and become an officer?

I said first and foremost, I'm a political organizer and was searching for the best place to organize for the Party. I felt the Navy offered me a great opportunity. I also thought I could pass the Navy fitness standards more easily than the Marines or the Army.

On not being an officer, I told them we look to organize those most affected by the system, those who have the greatest revolutionary potential. Clearly, that's much more present among the enlisted ranks, those who do the dirty work but do not receive much credit, than in the officer ranks.

My friends were very intrigued by all this and wanted to know how they could help. I replied they were already helping by attending meetings and asking me questions.

We then discussed the causes of the Iraq war, the fight for oil and the U.S. ruler's aim to maintain global supremacy. We talked about Halliburton and Vice-President Cheney's connection to it. We lunched at a local park where I shared CHALLENGE with them as we continued to discuss the Party's ideas. I was very impressed with my new friends' political knowledge, especially on Cheney's connection to Halliburton. They give me hope that our class will win one day, hopefully in my lifetime!

NAVY RED

(*Next: the conclusion — a "field trip" and the need for unity with white GIs.*)✪

RED EYE ON THE NEWS

BELOW ARE EXCERPTS FROM MAINSTREAM NEWSPAPERS THAT CONTAIN IMPORTANT INFORMATION:Abbreviations: NYT=New York Times, GW=Guardian Weekly (UK)

From commune to cutthroat

If his gruesome death was shocking, the life of this peasant boy in the rolling hills of northern Sichuan Province is repeated a million fold across the Chinese countryside. Peasants like Qingming were once the core constituency of the Communist Party. Now, they are being left behind in the money-centered, cutthroat society that has replaced socialist China.

China has the world's fastest-growing economy but is one of its most unequal societies….The income divide between the urban rich and the rural poor has widened so sharply that some studies now compare China's social cleavage unfavorably with Africa's poorest nations.

The skewed distribution of wealth has already begun to alienate the country's 750 million peasants….The countryside simmers with unrest….Even in a country that ruthlessly punishes dissent, some three million people took part in protests last year.

…In the days of Mao Zedong's radical egalitarian ideology…Farmers had a semblance of collective welfare when they lived in communes, though standards were lower. (NYT 8/1)

Voting doesn't work for us

You can forget the chatter about an exit strategy for American troops. There isn't one.

Employment here in America is another topic on which the presidential candidates will not tell the voters the cold, hard truth. There are not nearly enough jobs available…Families are being squeezed like Florida oranges as good jobs with good benefits — health insurance, paid vacations and retirement security — are going.

It may well be that candidates can't tell voters the truth and still win. If that's so then democracy American-style may be a lot more dysfunctional than even the last four years has indicated. (NYT 8/2)

I trusted you completely on Iraq...
...but almost everything you told me were lies...
I NEVER SHOULD'VE LISTENED TO YOU!...
AHMAD CHALABI
MARGULIES

Why U.S. wants army to stay

Perhaps the most sobering assessment of what lies ahead has come from recently retired Col. Douglas MacGregor, one of the military's leading intellectuals and a harsh critic of the outcome of our invasion of Iraq.

"We must face facts," MacGregor told congress last week. "Saudi Arabia may be reaching the end of its fragile existence. Iran is in the race to develop and field nuclear warheads for its already impressive arsenal of theater ballistic missiles and cruise missiles in the hope that it will be positioned to pick up the pieces if we just leave. A nuclear armed Pakistan could lurch openly into the Islamist camp on very short notice. Back off now, Iraq will ulcerate and regional order will eventually disintegrate. The oil may well stop flowing from the Persian Gulf and chaos could infect the whole region, producing a global economic disaster." (Atlanta Journal – Constitution 7/22)

War profits = family losses

Economist Doug Henwood estimates that this war, if the U.S. military stays there for three more years, will cost U.S. households an average of $3,415. (Minutemanmedia.org 7/21)

US: 7 million criminalized

The number of Americans under the control of the criminal justice system grew by 130,700 last year to reach a new high of nearly 6.9 million, according to a Justice Department report released today.

The total includes people in jail and prison as well as those on probation and parole. (NYT 7/26)

Children slave for "Coke"

For more than half of his young life, he has spent long days cutting sugar cane. He has the machete scars to prove it, and so do his four brothers and sisters, aged nine to 19.

…Across Latin America, more than 17 million children between the ages of five and 14 are working….Child labor perpetuates poverty by drawing the younger generation into the same low –wage manual jobs as their parents, often at the expense of education…widespread child labor helps depress wages.

"I like it because I get to be with my father," said Miguel Angel Orellano, 9.

Human rights fault the…companies that ultimately purchase refined sugar, among them the Coca-Cola. (GW, 8/5)

WORKERS FIGHT BOSSES' FLOW OF PROFITS FROM PRIVATIZING WATER

What in the capitalist system drives corporations to get into the private water business?

Fortune Magazine partly answers that question in an article entitled, "Water, And Water Everywhere" (5/15/2000): "Water promises to be to the 21st century what oil was to the 20th century: the precious commodity that determines the wealth of nations…. From Buenos Aires to Atlanta to Jakarta, the liquid everybody needs — and will need a lot more of in the future — is going private, creating one of the world's great business opportunities. The dollars at stake are huge. Supplying water to people and companies is a $400-billion-a-year industry. That's 40% of the size of the oil sector and one-third larger than global pharmaceuticals."

The French corporations Vivendi and Suez and the German corporation RWE control over 70% of existing privatized water services (www. blueplanetproject.net click on resources). Profit from the sale of water has helped catapult these companies into the top-100 list of largest global corporations, with combined revenues of over $100 billion (Global Fortune 500 list).

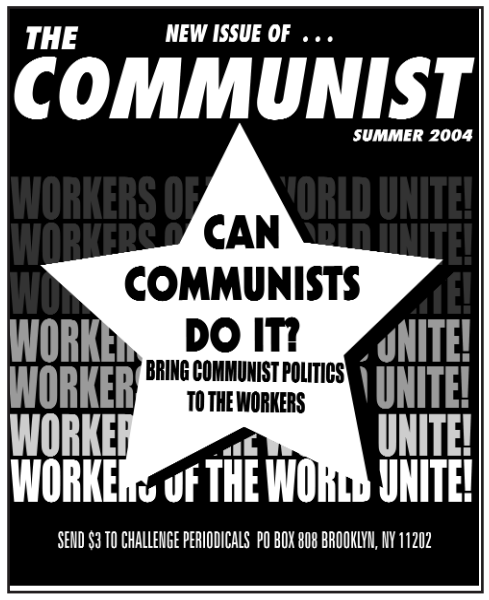
Not to be outdone in this imperialist dogfight, U.S. Bechtel has jumped into the water privatization game and joined forces with UK's United Utilities to privatize Latin America's water.

Corporations are driven by the cold logic of capitalism: the never-ending accumulation of capital. Each capitalist must constantly gain more profit, maximum profit, or die. This inexorably puts corporations, and ultimately their governments, in competition with one another.

The unprecedented profits being made from the sale of water create furious competition for water contracts, and results in the increased suffering of the world's poor. Once the World Bank and the International Monetary Fund put a struggling country's water services onto the open market to pay for a loan, corporations fight each other over how profitable they can make their investment, not who can best serve the people in need of water. Fortune magazine (5-15-2000) says foreign water service contracts are risky, but "Suez [the largest water company] is an expert at pricing deals to reflect that risk and at protecting its future profits." This means raising water bills dramatically and not providing promised repairs or adequate sanitation service (N.Y. Times, 8/26/2002, 5/29/2003).

From South Africa to Bolivia to Central America the working class is fighting back. Municipal workers in South Africa are joining with community activists to illegally reconnect water and electricity to poor people who have been shut off. In Bolivia, hundreds of thousands of workers took to the streets and militantly drove Bechtel out of their country. Throughout Central America community organizations are joining with workers and indigenous groups to fight privatization. (The Nation, 9/2/2002).

In southern Mexico, the indigenous population of Chiapas is preparing to fight Coca Cola over control of Chiapas water reserves which supplies 30% of the country's sweet water. Coca Cola is pressuring local governments to use zoning laws to increase private control of water supplies. (http://www.argenpress.info/nota.asp?num=012724)
On July 27, 3,000 Indigenous workers and peasants seized the center of the city of Cuenca, Ecuador, to stop passage of a water privatization bill. "There will be deaths and blood in the streets if the bill is passed," said one protest leader. Unions are threatening to join the movement, which could become nationwide. (Xinhua news)


THE
NEW ISSUE OF . . .
COMMUNIST
SUMMER 2004
CAN COMMUNISTS DO IT?
BRING COMMUNIST POLITICS TO THE WORKERS
WORKERS OF THE WORLD UNITE!
SEND $3 TO CHALLENGE PERIODICALS PO BOX 808 BROOKLYN, NY 11202

It's our job as communists to turn the economic fight for the control of water into a political fight for workers' power. Water is the fundamental resource for human life. Under capitalism it's a commodity that becomes private property, diverted from those who need it, polluted and sold for profit. If we don't own resources collectively, if we allow some corporation or its capitalist government — only interested in profits — to own our water, then we'll always be at the mercy of heartless profiteers and will see endless wars between the capitalists for control of those resources.

Already some activists such as Rigoberta Menchú argue that a future world war will be fought over water. It's up to PLP to fight for the solution to these wars for profit. Whether it's oil or water, the world's working class must fight to control our resources for the benefit of our class, not for the profit of the greedy bosses. Join PLP and help fight for a communist revolution to end this resource-raping capitalist system.

Unquoted Resources:

"Blue Gold: The Battle Against Corporate Theft of the World's Water," by Maude Barlow and Tony Clarke.

"Thirst for Control," by Shrybman, Steven.

http://www.blueplanetproject.net/cms_publications/TFC_E.pdf

Studying Imperialism Crucial to Fighting vs. Bosses Wars

People active in the anti-war movement, or considering it, must understand imperialism in order to fight it better. Following are important sources for study groups or for individual reading.

Although almost 90 years old, Lenin's book "Imperialism, The Highest Stage of Capitalism," is essential and an easy read and available free on the Internet. Chapter 10 is a summary; chapter 3, on the domination of finance capital (the big banks) over the capitalist economy, and Chapter 7, on the inevitability of imperialist war under capitalism, are especially good. Lenin's analysis is made current in Chapter VI of the PLP pamphlet "Political Economy: A Communist Critique of the Wage System," and in the "Oil War" pamphlet (applied to Iraq), as well as recent issues of CHALLENGE.

"Behind The Invasion Of Iraq," (Monthly Review Press, 2003) gives a clear account of the history of imperialism in Iraq and the reasons for the U.S invasion. The authors, the Research Unit for Political Economy (from India), summarize the long struggle of U.S. and British imperialism to dominate the Persian Gulf. They spell out U.S. plans to control oil and dominate Europe and China, as well as the dollar's role as a reserve currency in maintaining the U.S. empire.

A useful source from a liberal, anti-imperialist viewpoint is Chalmers Johnson's "Sorrows of Empire, Militarism, Secrecy and the End of the Republic" (Holt, Reinhart, 2004). Johnson defines imperialism, and recognizes that both Democrats and Republicans are imperialist, but thinks Clinton was a "smarter imperialist" than Bush. He describes the far-flung system of 725 U. S. military installations worldwide and reviews the extent and destructiveness of U.S. imperialism, which impoverishes billions, creating enemies of the U.S., while destroying institutions within the U.S.

Rather naively, Johnson claims the "military-industrial complex" runs the government. He doesn't identify the capitalist system itself as the problem. He even argues that imperialism is not an inevitable result of capitalism, suggesting that if citizens would "take the country back," imperialist policies could be reversed. While Johnson's conclusions are mistaken, the book is a valuable description of the scope of U.S. imperialism, and may especially help those new to the concept of imperialism.

An older, but still very worthwhile book is "The Prize: The Epic Quest For Oil, Money & Power" (Free Press; 1993), by Daniel Yergin. Although not really an anti-imperialist book, it makes a convincing case that a fundamental contradiction among the imperialists is the drive to control oil. It's a well-documented history of the oil business, from its beginnings, as a source of kerosene for lighting homes, to having become the most important commodity in the capitalist world. Yergin depicts the struggle for oil in World Wars I and II, creating a perfect context for the current war in Iraq. It clarifies why the U.S. ruling class has no choice but to commit hundreds of thousands of troops and billions in borrowed dollars to control the Middle East militarily. Whoever controls this region's oil has power over the economies and military capability of the entire world — the "prize" is control of oil.

It's also important to study the capitalists' pro-imperialist theories. The Hart-Rudman Commission's "Report on a U.S. National Security: Strategy for the 21st Century" (2000) argues that it's a "critical national interest" of the U. S. that no hostile power or coalition dominate "in any of the globe's major regions."

90 years later, Lenin's "Imperialism: The Highest Stage of Capitalism" is an essential read.

Multi-lateral cooperation between the U. S. and other imperialist powers is the theme of Charles Kupchan's "The End of the American Era: U. S. Foreign Policy and the Geopolitics of the Twenty-first Century" (Knopf, 2002). It was commissioned by the Council on Foreign Relations, the U. S. capitalists' main organization for developing their foreign policy. Since the U.S. can't be top dog forever, Kupchan argues, it must seek a "soft landing," a more nearly equal relationship with other imperialist powers, a "new equilibrium" with them. Kupchan is critical of unilateral imperialists who want to squash all rivals everywhere, arguing that this will inevitably lead to over-reaching and defeat.

The study of imperialism and its theories are important but must be combined with joining the cutting edge of the struggle against imperialism — participating in PLP activities like its summer projects for students, and learning how to destroy imperialism by ending the capitalist system through organizing for communist revolution.✪

Is Sudan Crisis About Oil?

From The Guardian, 8/2

Asked about the crisis in Sudan, Mr [Tony] Blair replied: "I believe we have a moral responsibility to deal with this and to deal with it by any means that we can." This last phrase means that troops might be sent — as General Sir Mike Jackson, the chief of the general staff, immediately confirmed….

The absence of anti-war scepticism about the prospect of sending troops into Sudan is especially odd in view of the fact that Darfur has oil…. There are huge untapped reserves in both southern Sudan and southern Darfur. As oil pipelines continue to be blown up in Iraq, the west not only has a clear motive for establishing control over alternative sources of energy, it has also officially adopted the policy that our armies should be used to do precisely this. Oddly enough, the oil concession in southern Darfur is currently in the hands of the China National Petroleum Company. China is Sudan's biggest foreign investor.

We ought, therefore, to treat with scepticism the U.S. Congress declaration of genocide in the region. ✪